

DEPARTMENT OF MENTAL HEALTH

FINANCIAL SUMMARY

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	FY 2004 REQUEST	GOVERNOR RECOMMENDS FY 2004
Office of the Director	\$ 28,193,167	\$ 51,434,348	\$ 46,596,596	\$ 45,478,117
Division of Alcohol and Drug Abuse	65,291,992	86,723,826	86,698,720	86,327,216
Division of Comprehensive Psychiatric Services	294,799,580	302,008,789	310,407,730	302,514,087
Division of Mental Retardation and Developmental Disabilities	255,917,328	262,956,398	263,670,418	264,203,342
DEPARTMENTAL TOTAL	\$ 644,202,067	\$ 703,123,361	* \$ 707,373,464	\$ 698,522,762
General Revenue Fund	534,022,440	525,452,899	533,745,033	528,120,039
Federal Funds	88,000,066	140,809,081	138,767,050	135,818,043
Mental Health Intergovernmental Transfer Fund	0	12,000,000	10,000,000	10,000,000
General Revenue Reimbursements Fund	4,000,019	4,544,329	4,544,329	4,544,329
Compulsive Gamblers Fund	190,906	452,696	452,696	452,810
Health Initiatives Fund	6,315,405	6,299,157	6,299,157	4,934,151
Family Support Loan Program Fund	62,654	291,305	291,305	291,305
Mental Health Earnings Fund	1,952,964	1,872,990	1,872,990	3,711,181
HFTF-Health Care Account	2,329,837	2,827,681	2,827,681	2,077,681
HFTF-Tobacco Prevention Account	0	300,000	300,000	300,000
Institution Gift Trust Fund	7,327,776	8,273,223	8,273,223	8,273,223
Full-time equivalent employees	10,502.25	10,091.61	10,173.51	9,982.66

* Does not include \$3,540,611 recommended in Fiscal Year 2003 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Mental Health supplemental appropriations.

POLICY SUMMARY

Governor Holden's Fiscal Year 2004 budget provides \$698.5 million for the Department of Mental Health to support Missourians with mental illness, substance abuse problems, and developmental disabilities. The department has focused its efforts on reducing substance abuse by youth, helping children with severe mental illness live successfully in their communities, and improving the quality of care for all mental health clients. Through these efforts, the lives of clients are improved and safety for all Missourians is enhanced.

A weakened economy and considerable growth in mandatory programs like Medicaid has resulted in the most significant challenge the state has faced since the Depression. The Fiscal Year 2004 budget includes substantial core reductions. However, the budget also recognizes that the state cannot cut its way out of the current fiscal problems without severely reducing essential services provided to Missourians. General revenue budget increases have been limited to mandatory programs. Governor Holden's priorities are protecting the state's investment in education and ensuring that our most vulnerable citizens – children, the elderly, and disabled – are shielded to the greatest extent possible from budget reductions.

ENHANCING THE HEALTH AND SAFETY OF THE PUBLIC

Most Missourians with mental disabilities pose no threat to others, but the department does help ensure public safety through prevention and treatment of substance abuse, treatment of persons whose mental disabilities make them dangerous to themselves or others, and custody and treatment for individuals judged to be sexually violent predators. Governor Holden recommends:

- \$6.6 million to pay for caseload growth in the department's Medicaid programs.
- \$3 million federal funds to expand Comprehensive Psychiatric Services, including \$2.5 million to develop an integrated community-based system of care for children with severe behavioral disorders; \$311,536 to expand local mental health services available to the non-violent, misdemeanor offenders with serious mental illness through implementation of the Jail Diversion Program; and \$150,442 to develop programs to ensure that youth and their families receive mental health services to help them become more independent and self-reliant.

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POLICY SUMMARY (Continued)

- \$1.4 million to expand the treatment program for sexually violent predators at the Southeast Missouri Mental Health Center. In Fiscal Year 2004, the department expects the number of persons detained or committed to the program by the courts to reach approximately 94, up from 67 at the end of December 2002.
- \$1.3 million federal funds to provide psychiatric treatment in safe and secure environments for Missourians with mental disabilities and substance abuse problems. Increased funding will ensure that hospitals remain compliant with federal regulations.

EFFECTIVE AND EFFICIENT STATE SERVICES

Ensuring efficient and effective state services is always important; however, when resources are very limited, it is even more critical. The Department of Mental Health has aggressively worked to streamline administrative functions; focus its funding on direct services to clients, particularly children; and improve accountability. Governor Holden's recommendations continue these improvements:

- \$1 million mental health interagency payment fund to provide residential treatment services for children in the care and custody of the Department of Social Services. The Department of Mental Health will be able to maximize federal revenues, improve quality of care for these children, and reduce costs to the Department of Social Services.
- \$732,789 federal funds to continue modernization of the department's Substance Abuse Primary Recovery Program, allowing for improved quality of care, better treatment methods tailored to consumer needs, and more efficient assessment of consumer outcomes.
- \$195,410 federal funds for evidence-based community activities and interventions to enhance the Missouri School-Based Prevention Resource Initiative (SPIRIT). These funds should result in decreases in the incidence of alcohol, tobacco, and other drug use; increases in student performance in school; and encourage youth involvement in their community.

Some performance measures the Department of Mental Health uses to evaluate the success of its programs follow:

	2000	2001	2002
Percentage of high school seniors using alcohol *	N/A	52.2%	N/A
Percentage of high school students using marijuana*	N/A	24.6%	N/A
Percent of developmentally disabled children with DMH support whose families care for them at home	97.9%	97.8%	99.1%
Alcohol- and drug-related traffic crashes resulting in death	250	257	N/A
Percentage of Missourians homeless or in shelters	1.2%	1.5%	N/A
Number of psychiatric clients living independently	6,862	7,141	7,092
Alcohol and drug abuse treatment clients	36,219	37,523	37,466
Psychiatric clients in community programs	58,096	61,799	62,572
Developmentally disabled clients in community settings	25,951	27,597	29,685

* This measure is available every two years.

DEPARTMENT OF MENTAL HEALTH

OFFICE OF THE DIRECTOR

The Department of Mental Health establishes policies, standards, and quality outcomes for prevention, education, habilitation, rehabilitation, and treatment for Missourians challenged by mental illness, substance abuse/addiction, and developmental disabilities. The department implements policy and programs through three program divisions -- Comprehensive Psychiatric Services, Mental Retardation and Developmental Disabilities, and Alcohol and Drug Abuse. Services are provided through an array of community-based programs and outpatient clinics, inpatient hospitals, long-term rehabilitation centers, and habilitation centers. The department operates under the advice of a seven-member Mental Health Commission appointed by the Governor.

The Office of the Director implements the plans and policies of the Mental Health Commission and manages the department. Its Office of Consumer Affairs represents consumer and family viewpoints in decision and policy development. The Office of Legislative Liaison reviews and analyzes state and federal legislation that pertains to services provided by the department and assists the program and support divisions with policy review and implementation. The General Counsel assists in litigation and represents the department at hearings, pleadings, briefings, waiver summons, and subpoenas. The Office of Administration provides management and fiscal support, including the annual budget, capital improvements, accounting, building maintenance and management, revenue management, contracting, dietary consultation, purchasing, and general services. The Office of Quality Management provides a variety of oversight and support functions which include: financial and compliance audits, abuse and neglect investigations, licensure and certification reviews, health care consultation, nursing home reform administration, administrative hearings/appeals, regulatory process and review, outcomes evaluation and strategic planning, and maintenance of Health Insurance Portability and Accountability (HIPAA) compliance. The Office of Human Resources coordinates department-wide personnel, labor relations, and other related functions. The Office of Public Affairs disseminates information to reduce stigma and raise awareness about mental health programs and services and assists the divisions and facilities in such activities. The Office of Information Systems is responsible for the information technology within the department.

The Office of the Director also administers several department-wide activities. These include housing and deaf services, refunding overpayments by private payors and insurers, tracking the use of private donations to the department, maintaining department facilities, and administering federal grants.

Fiscal Year 2004 Governor's Recommendations

- \$100,000 federal funds and .5 staff to enhance state-level capacity coordinated emergency responses to mental health and substance abuse services in the aftermath of a large-scale emergency.
- \$25,729 for pay plan, including \$24,595 general revenue.
- \$115,732 federal funds and one staff core reallocated from the Division of Alcohol and Drug Abuse.
- (\$5,000,000) federal and other funds core reduction of excess appropriation authority.
- (\$1,144,208) and (9.91) staff core reduction.
- (\$53,484) and (one) staff core reallocated to the Division of Mental Retardation and Developmental Disabilities to bring appropriation authority in line with spending.

DEPARTMENT OF MENTAL HEALTH

DIVISION OF ALCOHOL AND DRUG ABUSE

The Division of Alcohol and Drug Abuse (ADA) has the responsibility of ensuring that treatment and prevention services are accessible to persons with substance abuse and gambling disorders, and those at risk for substance abuse and compulsive gambling. The division achieves these goals through a treatment system of contracted community-based providers and state-operated facilities and contracts for 39 general treatment service programs and 43 Comprehensive Substance Treatment and Rehabilitation Programs (CSTAR). The general treatment service programs offer an array of services, including detoxification from drugs and alcohol, residential treatment and outpatient treatment. The CSTAR programs offer comprehensive services through three levels of care based on need and severity of addiction. The division has established 12 CSTAR programs specifically for pregnant women and their children and 13 programs specifically for adolescents. The division's administrative responsibilities include, but are not limited to, funding provisions, technical assistance and training, standard setting to ensure quality services, research, public information dissemination, clinical review and service authorization, review and oversight of the division's budget, and program planning and policies for prevention and treatment services. Missouri receives federal funds from the Substance Abuse Prevention and Treatment Block Grant, the Center for Substance Abuse Treatment, and the U.S. Department of Education.

Fiscal Year 2004 Governor's Recommendations

- \$1,837,921 other funds to replace the health initiative fund core reduction in the Substance Abuse Traffic Offender's Program (SATOP).
- \$732,789 federal funds to continue modernization of the department's Substance Abuse Primary Recovery programs.
- \$254,423 for anticipated caseload increases in Medicaid treatment services.
- \$195,410 federal funds for a school-based prevention and intervention initiative.
- \$100,000 federal funds to enhance the collecting, recording, and reporting of performance measures used to identify the effectiveness of Missouri's substance abuse treatment programs.
- \$10,704 for pay plan, including \$5,222 general revenue.
- \$3,037 federal funds transferred from Statewide Leasing for janitorial and utility costs.
- (\$1,365,680) other funds core reduction to be replaced by new Substance Abuse Traffic Offender's Program (SATOP) collections.
- (\$1,195,033) federal funds core reduction from the Fiscal Year 2003 appropriation level.
- (\$526,941) and (three) staff in core reduction from the Fiscal Year 2003 appropriation level.
- (\$327,508) core reduction for implementing recipient copayments in the Medicaid Program.
- (\$115,732) federal funds and (one) staff core reallocated to the Office of the Director.

DEPARTMENT OF MENTAL HEALTH

DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES

The Division of Comprehensive Psychiatric Services operates several state facilities and purchases residential, rehabilitative, and support services for clients who live in community settings. The ultimate objective is an integrated mental health service system that will enable clients to live as normally and independently as their conditions permit. The division funds a wide array of services, including residential care centers, foster homes, group homes, independent living programs, nursing homes, supported employment, crisis intervention, psychiatric rehabilitation, and other forms of assistance. Many of these services are partially funded through Medicaid.

The division provides inpatient care at three rehabilitation centers, two children's psychiatric hospitals, one children's residential center, and four state-operated acute care centers. These facilities offer inpatient care for adults who are seriously mentally ill and for severely emotionally disturbed children. Services include acute care, long-term rehabilitation for clients who are not ready to return to the community, and outpatient care. A large part of the population in the long-term rehabilitation facilities consists of forensic clients. These are people committed to the department by the courts as not guilty by reason of mental disease or defect, or as incompetent to stand trial. Fulton State Hospital and the Southeastern Missouri Mental Health Center also provide mental health care for prison inmates. The division also operates the Sexually Violent Predator Program at the Southeast Missouri Mental Health Center. Following are data for these facilities:

Facility	Total Staffed Beds	FY 2002 Inpatient Days	Forensic and Corrections Beds
Fulton State Hospital	505	167,077	448
Northwest Missouri Psychiatric Rehabilitation Center	120	42,911	86
St. Louis Psychiatric Rehabilitation Center	212	76,456	159
Southwest Missouri Psychiatric Rehabilitation Center	30	8,709	0
Cottonwood Residential Treatment Center	32	9,226	0
Hawthorn Children's Psychiatric Hospital	52	16,097	0
Metropolitan St. Louis Psychiatric Center	115	33,404	0
Mid-Missouri Mental Health Center	69	23,011	0
Southeast Missouri Mental Health Center	226	88,757	84
Sexually Violent Predator Program	N/A	15,708 *	50
Farmington Correctional Center Beds	194	9,375 *	20
Western Missouri Mental Health Center	75	58,434	0

*Included in the 88,757 for Southeast MO MHC

Fiscal Year 2004 Governor's Recommendations

- \$2,953,319 federal funds for increased appropriation authority to expand treatment, prevention, and intervention services.
- \$1,408,015 and 34.9 staff for increased caseload at the Missouri Sexual Offender Treatment Center.
- \$1,402,290 and 42.5 staff to improve patient and staff safety in psychiatric hospitals across the State of Missouri, which is necessary for certification and accreditation mandated by the federal government.
- \$1,254,190 for anticipated caseload increase in Medicaid treatment services.
- \$1,250,000 federal funds to provide additional acute psychiatric treatment services throughout the State of Missouri.
- \$1,981,178 for pay plan, including \$1,950,276 general revenue.
- \$205,657 transferred from the Office of Administration for fringe payments for the privatization of children outpatient services at Mid-Missouri Mental Health Center.
- (\$5,521,275) and (33.5) staff in core reduction for contracts and services in adult community programs, including (\$1,521,275) general revenue.
- (\$2,326,084) and (78.78) staff in core reduction for acute psychiatric inpatient services for youth in the northwest region of the state.
- (\$1,211,292) core reduction for implementing recipient copayments in the Medicaid Program.
- (\$505,563) and (23) staff in core reduction for the privatization of the New Prospects Workshop Program at Western Missouri Mental Health Center.
- (\$218,814) and (3.5) staff in core reduction for contracts and services in youth community programs.
- (\$91,793) and (1.3) staff in core reduction from the Fiscal Year 2003 appropriation level.
- (\$74,530) core reduction for one-time expenditures.
- (14) staff core reduction for the privatization of children outpatient services at Mid-Missouri Mental Health Center.

DEPARTMENT OF MENTAL HEALTH

DIVISION OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

The Division of Mental Retardation and Developmental Disabilities operates several facilities and purchases residential, habilitative, and support services for clients who live in the community and for families who keep their developmentally disabled children at home. This is a key element in the development of an integrated system that will enable mentally retarded and developmentally disabled clients to live as normally and independently as their conditions and behavior permit. Community-based services range from residential placements to support services for persons living with their families or in their own apartments. The Medicaid Home- and Community-Based Waiver plays a major role in the division's community service system. Its 11 regional centers are the entry and exit points for clients. They provide screening and diagnostic services for both children and adults, evaluate the need for services and arrange for them, and monitor and assess the clients' progress.

The division provides residential services at the six state habilitation centers. These centers offer long-term training and habilitation for clients who cannot move into community settings because of the severity of their disabilities or for behavioral reasons. Those who can make the change are eventually moved into community settings, with the goal of integrating them as fully as possible into normal community life. The following table shows the number of beds in the habilitation centers.

Facility	Beds
Bellefontaine Habilitation Center	382
Higginsville Habilitation Center	132
Marshall Habilitation Center	311
Nevada Habilitation Center	138
St. Louis Developmental Disabilities Treatment Center	235
Southeast Missouri Residential Services	86
Habilitation Center Clients in Community Settings	183
Total	1,467

Fiscal Year 2004 Governor's Recommendations

- \$5,070,314 for anticipated caseload increases in Medicaid treatment services.
- \$582,366 federal funds and 18 staff to ensure Bellefontaine Habilitation Center maintains certification and provides an instructive environment for its residents mandated by the federal government.
- \$2,207,940 for pay plan, including \$1,943,407 general revenue.
- \$55,401 transferred from Statewide Leasing for janitorial and utility costs.
- \$53,484 and one staff core reallocated from the Office of the Director to bring appropriation authority in line with spending.
- (\$3,763,919) federal funds core reduction of excess appropriation authority for the redesign of the First Steps Program administered by the Department of Elementary and Secondary Education.
- (\$1,282,007) transferred to the Department of Elementary and Secondary Education for the redesign of the First Steps Program.
- (\$629,628) and (two) staff in core reduction from the Fiscal Year 2003 appropriation level.
- (\$623,488) and (15.86) staff in core reduction for the consolidation of some administrative positions within six regional centers.
- (\$421,900) and (20) staff in core reduction for the closure of the Skilled Nursing Facility (SNF) at Marshall Habilitation Center.
- (\$1,619) transferred to Statewide Leasing for fuel and utility costs.